<u>Patent</u>

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicants: WILCE et al.

Application Serial No.: 09/939,911

Filing Date: August 27, 2001

For: SYSTEMS AND METHODS FOR
FACILITATING USE OF
AGREEMENT INFORMATION VIA
AN AGREEMENT MODELING
SYSTEM

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Group Art Unit: 3628

Examiner: Jennifer Liversedge

APPEAL BRIEF

Attorney Docket No.: G08.003

PTO Customer Number 28062
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MS Appeal Brief - Patents
Commissioner for Patents
P.O. Box 1450
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Sir:

Applicants hereby submit an appeal to the Board of Patent Appeals and Interferences from the decision of the Examiner in the Final Office Action mailed November 22, 2005 (the "Final Office Action") rejecting claims 17-23 and 41-55.

REAL PARTY IN INTEREST

The present application is assigned to GOLDMAN, SACHS & CO., 85 Broad Street, New York, New York 10004, U.S.A.

RELATED APPEALS AND INTERFERENCES

No other appeals or interferences are known to Applicants or Applicants' legal representative which will directly affect, be directly affected by, or have a bearing on the Board's decision in the pending appeal. The present application has not been assigned to any other party.

STATUS OF CLAIMS

Claims 1-16 and 24-40 have been canceled.

Claims 17-23 and 41-45 are being appealed.

STATUS OF AMENDMENTS

No amendments have been filed subsequent to the Final Office Action.

SUMMARY OF THE CLAIMED SUBJECT MATTER

An agreement between a party and a counter-party may include a number of agreement terms. For example, a contract between two parties may indicate a set of financial instruments that can be exchanged between the parties. Such terms may be effective over a pre-defined period of time (*e.g.*, from January 1, 2003 to December 31, 2003). Moreover, such terms might be modified by the parties (*e.g.*, a new financial instrument might be added to the set that is

covered by an agreement term), and, in some cases, a modification might be retroactive (*e.g.*, a transaction that was not covered by a term when it was executed might now be covered). Determining the status of an agreement as of a particular date (*e.g.*, the end of last quarter) via a manual review of an existing agreement documents (*e.g.*, a master contract and a number of contract amendments) can be a time-consuming and error prone process.

According to some embodiments of the present invention, an automated system is provided to "determin[e] an applicability of the agreement term with respect to the transaction, as of the query date, based at least in part on a comparison of the term date, the transaction date, the modification date, and the query date" (a limitation generally recited in each of the pending independent claims, as amended, and described in the specification at page 28, line 22 to page 30, line 6).

Exemplary diagrams will now be provided, including *Diagram A* which shows a time-line in accordance with some embodiments.
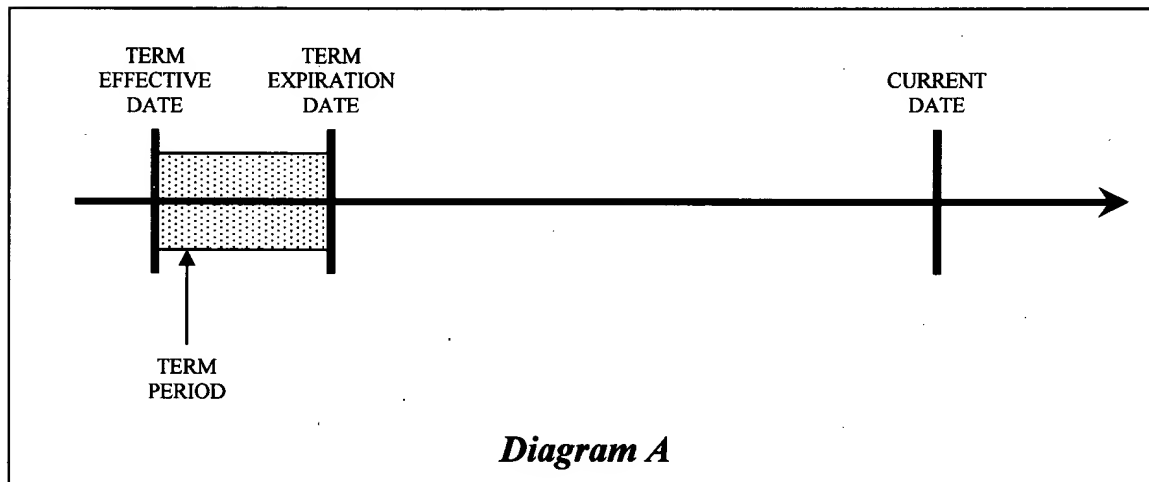
Diagram A

The timeline shown in *Diagram A* might be associated with, for example, an agreement such as a contract and/or financial instrument agreement. A term of the agreement (*e.g.*, "TERM"), such as a clause or other term, may be effective starting on a "TERM EFFECTIVE DATE" and may expire upon a "TERM EXPIRATION DATE". In other words, the TERM may be effective over a "TERM PERIOD", as shown. Consider now a retroactive modification (*e.g.*, "MODIFICATION") to the agreement is made on a "MODIFICATION DATE", as shown in *Diagram B,*.

Diagram B
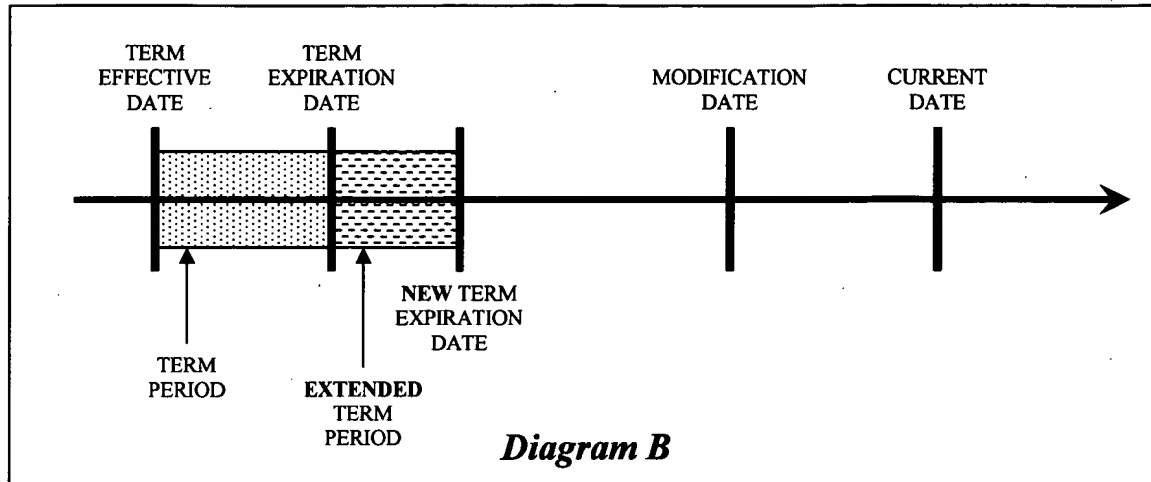
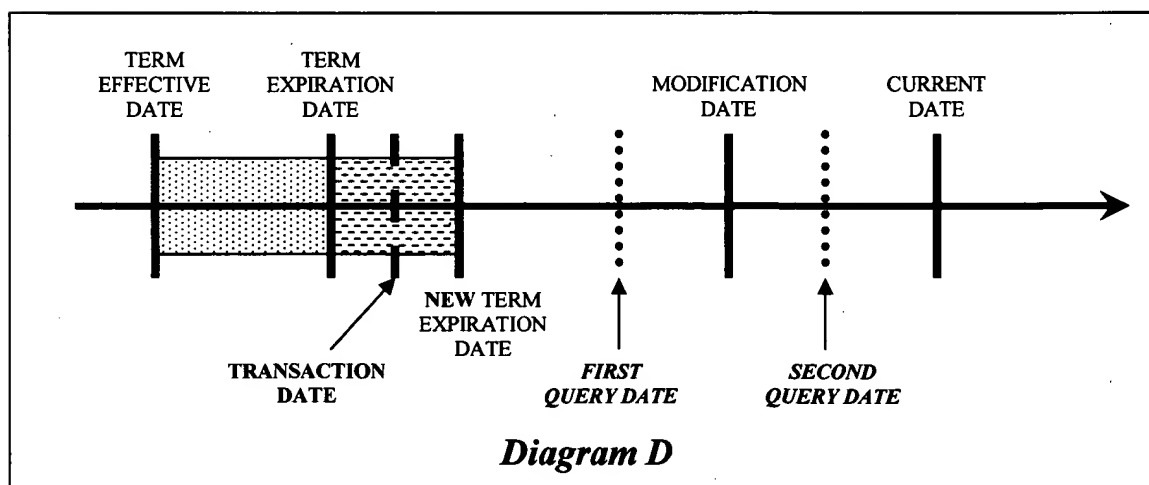The MODIFICATION may, for example, be an alteration of the agreement approved by both parties for various reasons (*e.g.*, due to financial instrument changes, renegotiations, and/or other reasons that are typical or possible with respect to agreements made in various industries). As shown in *Diagram B*, the MODIFICATION may retroactively modify the TERM EXPIRATION DATE that ends the applicability of the agreement TERM. In other words, the TERM EXPIRATION DATE is moved to a **NEW** TERM EXPIRATION DATE, defining a new and **EXTENDED** TERM PERIOD, as shown. The MODIFICATION may cause complications, in typical systems however, when a user attempts to retrieve information regarding the agreement.

For example, as shown in *Diagram C*, the user may query, in typical systems, to determine if a TRANSACTION, occurring on a **"TRANSACTION DATE"** (occurring as shown) is covered by the agreement. In typical systems, however, any query submitted after the MODIFICATION DATE (*e.g.*, on the CURRENT DATE) will show that the MODIFICATION applies, and that the TRANSACTION is covered by the agreement. Such results may not, however, be desirable. In the case that the user desires to query the applicability of the TERM to the TRANSACTION *as viewed from a different date* than the CURRENT DATE (*e.g.*, the end of last quarter) prior systems are simply incapable of providing such query results.

TERM
EFFECTIVE
DATE

TERM
EXPIRATION
DATE

MODIFICATION
DATE

CURRENT
DATE

NEW TERM
EXPIRATION
DATE

TRANSACTION
DATE
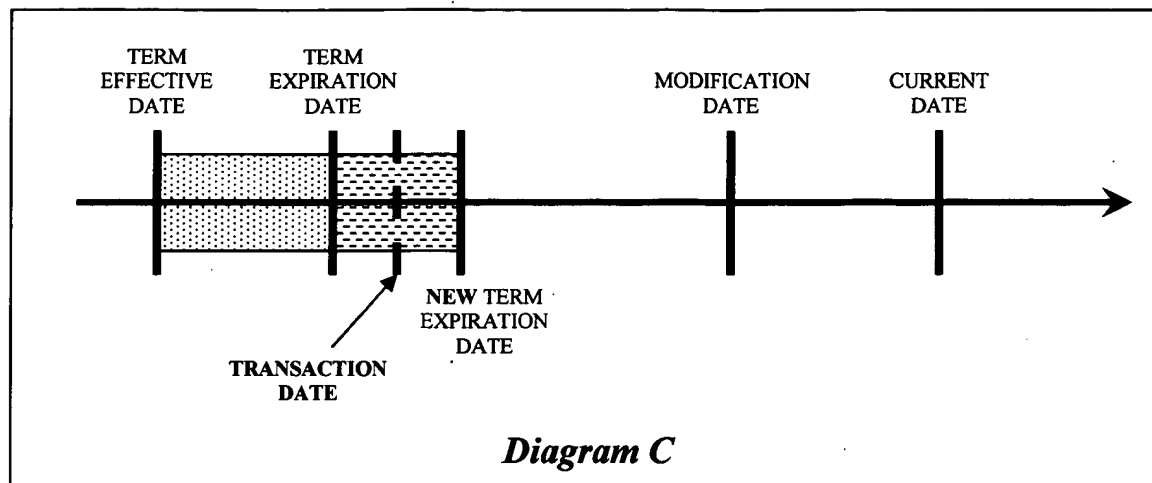
Diagram C

As shown in Diagram D, for example, currently claimed embodiments provide *determining an applicability of the agreement term with respect to the transaction, as of the query date, based at least in part on a comparison of the term date, the transaction date, the modification date, and the query date.* In other words, currently claimed embodiments allow the user to enter a "QUERY DATE" that is different than the CURRENT DATE. This gives the user great flexibility in querying agreement information and specifically allows the user to determine the applicability of the TERM to the TRANSACTION *as viewed from the perspective of* a specific QUERY DATE (which is different than the CURRENT DATE).

As shown in *Diagram D*, for example, the user may submit either or both of the *FIRST QUERY DATE* or the *SECOND QUERY DATE*. The user may discover, for example, that as of the *FIRST QUERY DATE*, the TERM *did not apply* to the TRANSACTION, yet as of the *SECOND QUERY DATE* (*e.g.*, after the MODIFICATION DATE), the TERM *did apply* to the TRANSACTION.

TERM
EFFECTIVE
DATE

TERM
EXPIRATION
DATE

MODIFICATION
DATE

CURRENT
DATE

NEW TERM
EXPIRATION
DATE

TRANSACTION
DATE

*FIRST
QUERY DATE*

*SECOND
QUERY DATE*

Diagram D

In other words, the agreement modeling system of currently claimed embodiments may compare the TERM DATE, the TRANSACTION DATE, the MODIFICATION DATE, and the QUERY date to determine the applicability of the TERM to the TRANSACTION as of the user's QUERY DATE.

GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

Claims 17-23, 41-44 and 46-55 stand rejected under 35 USC 103 as being unpatentable over US Publication No. 2002/0010686 ("Whitesage") in view of US Publication No. 2003/0172006 ("Fino") and further in view of "RB&W Negotiating Agreements to Cure a Default" by R.C. Drabik, Business Wire, January 30, 1992 ("Drabik").

Claim 45 stands rejected under 35 USC 103 as being unpatentable over Whitesage") in view of Fino and further in view of US Patent No. 5,826,244 ("Huberman").

ARGUMENT

None of the cited references disclose "determining ... an applicability of the agreement term with respect to the transaction, as of the query date, based at least in part on a comparison of the term date, the transaction date, the modification date, and the query date" as recited in claim 17.

According to the Office Action, Fino discloses such a feature in FIGS. 5F, 5H and/or 5J (Final Office Action, bottom of page 3 to top of page 4 and top of page 13).

Applicants respectfully disagree. Nothing in these figures suggest that an applicability of an agreement term is determined based on a query date based on a transaction date, modification date, and a query date. The FIGS. merely indicate that building options, each associated with a date the option was requested or agreed to, can be displayed to a user.

Neither Whitesage nor Fino teach, suggest, or even mention **a query date that is different than the current date**, much less utilizing such a query date in a determination of whether or not an agreement term applied to a transaction **as of the query date.**

In rejecting claims under 35 U.S.C. § 103, the Examiner bears the initial burden of presenting a *prima facie* case of obviousness. See In re Rijckaert, 9 F.3d 1531,1532, 28 USPQ2d 1955, 1956 (Fed. Cir. 1993). A *prima facie* case of obviousness is established by presenting evidence that would have led one of ordinary skill in the art to arrive at the claimed invention. See In re Fine, 837 F.2d 1071, 1074, 5 USPQ2d1596, 1598 (Fed. Cir. 1988). Evidence of a suggestion, teaching, or motivation to modify a reference may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature of the problem to be solved, see Pro-Mold & Tool Co. v. Great Lakes Plastics, Inc., 75 F.3d 1568, 1573, 37 USPQ2d1626, 1630 (Fed. Cir. 1996), although "the suggestion more often comes from the teachings of the pertinent references," In re Rouffet, 149 F.3d 1350, 1355, 47 USPQ2d 1453, 1456 (Fed. Cir.1998). The range of sources available, however, does not diminish the requirement for actual evidence. That is, the showing must be clear and particular. See, *e.g.*, C.R.Bard Inc. v. M3 Sys., Inc., 157 F.3d 1340, 1352, 48 USPQ2d 1225, 1232 (Fed. Cir.1998), cert. denied, 119 S. Ct. 1804 (1999). A broad conclusory statement regarding the obviousness of modifying a reference, standing alone, is not evidence. Thus, when an Examiner relies on general knowledge to negate patentability, that knowledge must be articulated and placed on the record. See In re Lee, 277 F.3d 1338, 1342-45,61 USPQ2d 1430, 1433-35 (Fed. Cir. 2002).

The entire discussion in Final Office as to why it would have been obvious to modify the system of Whitesage using the teachings of Fino is reproduced here for convenience:

> to provide the user more options to
> view the status of the contract

(Final Office Action, middle of page 4). Applicants respectfully do not understand this reasoning. While the present invention does provide this benefit, there is no convincing argument that would lead to the conclusion that one of ordinary skill in the art would have been motivated to modify either reference in the ways suggested by the Examiner.

The teaching or suggestion to make the claimed combination must be found in the prior art, and not based on the Applicants' disclosure. In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). "To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found

the claimed invention to have been obvious in light of the teachings of the references." Ex parte Clapp, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985). The fact that references can potentially be modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. MPEP 2143.01; In re Mills, 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990); Monarch Knitting Machinery Corp. v. Sulzer Morat GmbH, 45 USPQ 2d 1977, 1981-82 (Fed. Cir. 1998) (the question to be asked is "whether the prior art contains a suggestion or motivation to combine references").

The absence of any motivation in the prior art (and the lack of a convincing line of reasoning) to modify the references in the ways recited in the pending claims indicates that the Examiner has simply recognized a benefit provided by the present invention, and then used that benefit as a motivation to combine the references – the essence of impermissible hindsight reconstruction.

Because there is no teaching or suggestion to modify the references in this way, a *prima facie* case of obviousness has not been established. The rejection of these claims should be reversed.

Similarly, the entire discussion in Final Office as to why it would have been obvious to modify the system of Whitesage/Fino using the teachings of Drabik is reproduced here for convenience:
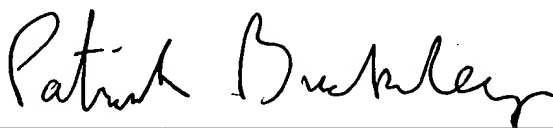
> at times, either the supplier or the
> customer would require some type of
> modification to the contract and a
> method for capturing and
> implementing those changes would
> be required

(Final Office Action, bottom of page 4 to top of page 5). Again, there is no convincing line of reasoning that would lead to the conclusion that one of ordinary skill in the art would have been motivated to modify either reference to produce a system as recited in the pending claims.

CONCLUSION

Applicants respectfully suggest that rejections of claims 17-23 and 41-45 are improper and request that the rejections be reversed. If any issues remain, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is kindly invited to contact the undersigned.

Respectfully submitted,

June 21, 2006
Date

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Appendix A - Claims
Appendix B - Evidence
Appendix C - Related Proceedings

APPENDIX A - CLAIMS

This is a complete copy of the claims involved in the appeal:

17. A method for utilizing an agreement modeling system, comprising:

receiving, by an agreement modeling system, an indication of an agreement between a party and a counter-party, the agreement including an agreement term associated with a term date;

receiving, by the agreement modeling system, subsequent to the receiving of the indication of the agreement, an indication of a retroactive modification to the agreement, wherein the retroactive modification to the agreement is associated with a modification date;

storing, by the agreement modeling system, information indicative of the agreement term, information indicative of the term date, information indicative of the retroactive modification, and information indicative of the modification date;

receiving, by the agreement modeling system, a query, wherein the query comprises an indication of a query date, the query date being a date other than the date on which the indication of the query date is received, and an indication of a transaction date associated with a transaction, wherein the transaction date is different than the query date;

determining, by the agreement modeling system, an applicability of the agreement term with respect to the transaction, as of the query date, based at least in part on a comparison of the term date, the transaction date, the modification date, and the query date; and

providing, by the agreement modeling system, and indication of the determination.

18. The method of claim 17, wherein the term date comprises at least one of: (i) a term effective date, (ii) a term expiration date, (iii) a term period, or (iv) a term entry date.

19. The method of claim 17, wherein the query date comprises a date indicated by a user.

20. The method of claim 17, wherein the indication of the agreement comprises at least one of: (i) an agreement identifier, (ii) a document identifier, (iii) a party entity identifier, (iv) a counter-party identifier, (v) a financial instrument identifier, or (vi) a financial product identifier.

21. The method of claim 17, wherein at least one of the receiving of the indication of the agreement, the receiving of the indication of the retroactive modification of the agreement, or the receiving of the query comprises receiving information from at least one of: (i) a user, or (ii) a satellite system.

22. The method of claim 17, wherein the providing comprises:

transmitting an indication of the determination of the applicability of the agreement term with respect to the transaction, as of the query date, to at least one of: (i) a user, or (ii) a satellite system.

23. The method of claim 22, further comprising:

transmitting an indication associated with a supporting agreement document.

41. The method of claim 17, further comprising:

receiving, by the agreement modeling system, transaction information associated with the transaction and the agreement;

identifying, by the agreement modeling system, agreement information associated with the agreement, wherein the agreement information is stored by the agreement modeling system;

evaluating, by the agreement modeling system, the transaction information and the agreement information; and

generating, by the agreement modeling system, an indication based on said evaluating.

42. The method of claim 41, wherein said receiving of the transaction information comprises receiving the transaction information from at least one of: (i) a user, or (ii) a satellite system.

43. The method of claim 42, wherein the satellite system comprises at least one of: (i) a business system, (ii) a legal system, (iii) a compliance system, (iv) a credit system, (v) a treasury system, or (vi) an operations system.

44. The method of claim 41, wherein the transaction information is associated with at least one of: (i) a party entity, (ii) a counter-party, (iii) the transaction date, (iv) an agreement date, (v) a financial product, (vi) a financial instrument, or (vii) a monetary amount.

45. The method of claim 44, wherein the financial product comprises at least one of: (i) an equity product, (ii) a stock product, (iii) an index product, (iv) a fixed income product, (v) a bond product, (vi) a bank loan product, (vii) a whole loan product, (viii) an interest rate product, (ix) a credit derivative product, (x) a commodity product, (xi) a metal product, (xii) a energy product, or (xiii) an agriculture product.

46. The method of claim 44, wherein the financial instrument comprises at least one of: (i) a swap instrument, (ii) an option instrument, (iii) a buy instrument, (iv) a sell instrument, (v) a call instrument, (vi) a put instrument, (vii) a forward instrument, (viii) a pre-paid forward instrument, (ix) a spot instrument, (x) a repurchase agreement instrument, (xi) a loan instrument, (xii) a warrant instrument, or (xiii) a contract for differences instrument.

47. The method of claim 41, wherein the agreement information is associated with a covered products matrix.

48. The method of claim 41, wherein the indication comprises at least one of: (i) an indication of approval, (ii) an indication of non-approval, (iii) an indication that further evaluation is required, or (iv) an indication that an amendment to an agreement is required.

49. The method of claim 41, wherein said generating comprises transmitting the indication to at least one of: (i) a user, or (ii) a satellite system.

50. The method of claim 41, wherein the transaction comprises at least one of: (i) a pending transaction, or (ii) a completed transaction.

51. The method of claim 41, wherein said evaluating is performed on at least one of: (i) a transaction basis, or (ii) a batch of transactions.

52. An apparatus for utilizing an agreement modeling system, comprising:

a processor; and

a storage device in communication with said processor and storing instructions adapted to be executed by said processor to:

receive an indication of an agreement between a party and a counter-party, the agreement including an agreement term associated with a term date;

receive, subsequent to the receiving of the indication of the agreement, an indication of a retroactive modification to the agreement, wherein the retroactive modification to the agreement is associated with a modification date;

store at least one of information indicative of the agreement term, information indicative of the term date, information indicative of the retroactive modification, or information indicative of the modification date;

receive a query, wherein the query comprises an indication of a query date, the query date being a date other than the date on which the indication of the query date is

received, and an indication of a transaction date associated with a transaction, wherein the transaction date is different than the query date;

determine an applicability of the agreement term with respect to the transaction, as of the query date, based at least in part on a comparison of the term date, the transaction date, the modification date, and the query date; and

provide the determination of the applicability of the agreement term with respect to the transaction, as of the query date.

53. The apparatus of claim 52, wherein said storage device further stores an agreement information database.

54. The apparatus of claim 52, further comprising:

a communication device coupled to said processor and adapted to communicate with at least one of: (i) a client device, (ii) an agreement modeling system controller, (iii) a satellite system, or (iv) a counter-party device.

55. A medium storing instructions adapted to be executed by a processor to perform a method of utilizing an agreement modeling system, said method comprising:

receiving, by an agreement modeling system, an indication of an agreement between a party and a counter-party, the agreement including an agreement term associated with a term date;

receiving by the agreement modeling system, subsequent to the receiving of the indication of the agreement, an indication of a retroactive modification to the agreement, wherein the retroactive modification to the agreement is associated with a modification date;

storing, by the agreement modeling system, at least one of information indicative of the agreement term, information indicative of the term date, information indicative of the retroactive modification, or information indicative of the modification date;

receiving, by the agreement modeling system, a query, wherein the query comprises an indication of a query date, the query date being a date other than the date on which the indication of the query date is received, and an indication of a transaction date associated with a transaction, wherein the transaction date is different than the query date;

determining, by the agreement modeling system, an applicability of the agreement term with respect to the transaction, as of the query date, based at least in part on a comparison of the term date, the transaction date, the modification date, and the query date; and

providing, by the agreement modeling system, the determination of the applicability of the agreement term with respect to the transaction, as of the query date.

APPENDIX B - EVIDENCE

No evidence is submitted herewith (*i.e.*, this appendix is empty).

APPENDIX C - RELATED PROCEEDINGS

No other appeals or interferences are known to Applicants or Applicants' legal representative which will directly affect, be directly affected by, or have a bearing on the Board's decision in the pending appeal. The present application has not been assigned to any other party.

Therefore, there are no copies of decisions rendered by a court or the Board to attach (*i.e.*, this appendix is empty).